

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1684 - SB 1587**

March 24, 2011

**SUMMARY OF BILL:** Requires that every state-offered voluntary separation plan give credit for the employee's state service including the number of years of service in any branch of state government as a general state employee and the number of years in state public higher education. Prohibits counting service more than one time in establishing the number of years served. Requires the Department of Finance and Administration to review any voluntary separation for compliance.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - Exceeds \$75,000/One-Time**

Assumptions:

- The Department of Human Resources (DOHR) estimates that two percent of participants in the FY08-09 Voluntary Buyout Program (VBP) will qualify for a payment under this bill. There are 1,521 employees who participated in the VBP. Therefore, approximately 30 (1,521 x 2%) participants will be affected by this bill.
- According to the Department, each of the 30 participants had approximately 5 years of uncredited service, credited at \$500 per year, at a higher education institution. Those participants will be eligible for the additional maximum payment of \$2,500. The result is a one-time increase in state expenditures of at least \$75,000 (30 x \$2,500).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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